



Transportation Funding Task Force Presentation

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Business Aviation Overview
Presented by: Cheryl Bush

Aviation in the U.S.



- **Commercial**
 - Scheduled passenger and cargo airlines
- **Military**
- **General**
 - GA defined as all types of aviation other than commercial and military

General Aviation



- **85%** Corporate/Business
 - Corporate Flight Departments managed by professional pilots and aviation managers
 - Business owned aircraft flown by owner or hired crew
- Remaining **15%** comprised of flight training, air ambulance, agricultural, aerial mapping and photography, fire control, government, aircraft testing and demonstration, traffic advisory and policing, power and pipeline control, air shows, personal transportation, sport and recreational flying, etc.

Myth Buster #1

"GA is a hobby for private pilots that operate small aircraft out of a few undeveloped fields."

- In 2005, contributed **\$150 billion** to the US economy, **\$11 billion** to MI economy (2006)
- Employs **1.3 million** people
- **\$53 billion** in payroll in US (2006)
- Utilizes **more than 5,000 airports** as compared to the 500 airports served by the airlines in the US
 - 50% of commercial flights operate out of 17 airports
- GA flew **31.8** million hours compared to **14.4** commercial

Myth Buster #2



"Only major corporations can justify such a luxury."

- About **15,000** business aircraft registered in US
 - Only 3% flown by Fortune 500 companies
 - 97% by broad section of operators
 - Businesses large, medium and small
 - 86% are mid-level managers

Myth Buster #3

"GA aircraft are crowding the skies and limiting access to resources for commercial aircraft."

- Use busiest commercial airports <5% of time
- Typically fly above and below commercial airlines (29,000 – 39,000 feet)
- Safety record matches commercial airlines

Aviation Providers

- Fixed Base Operators
 - 3,600 FBO's in US
 - Fuel, Hangar, Detailing, Baggage Handling
 - Technical Services
 - Flight Services
 - Aircraft Sales
- Aircraft Repair Stations (4,000 MRO's in US)
- Aircraft Manufacturers
- Flight Training Schools (3,200 in US), Handlers
- Engine Overhaul, Parts Suppliers, Equipment and Tooling, Fuel Suppliers
- Aviation Insurance, Information Technology, Legal



Competitive Tool

- Never a greater need for companies to maximize their most important assets – **people and time**
 - **Fast** *travel at jet speeds, reduce door to door travel time*
 - **Flexible** *travel when you want to fly, airport closer to your destination*
 - **Safe** *safety record outstanding, professional simulator flight training*
 - **Secure** *travel with passengers you know*
 - **Cost-effective** *reduce overnights, improve quality of life, attract quality personnel*
- Types of aircraft vary widely from single-engine piston aircraft, to turboprops, jets and helicopters.
 - International jets typically carry up to 19 pax
 - Majority seat 6-8 pax and fly an average of less than 1,000 miles
- Most business aircraft manufactured in the US!

General Aviation Fleet



- Projected to grow nationwide from approximately 221,000 aircraft today to 252,775 by 2017.
- Increase in total flight hours
 - Projected turbine annual growth rate **10.2%** thru 2017
- FAA predicts pilot population to grow moderately
- Emerging market for Very Light Jets

Michigan Aviation



- **581** Jets, turboprops, helicopters and large piston aircraft
 - 2 Executive Airlines
 - 291 jets
 - 113 Turboprops
 - 83 large pistons
 - 97 helicopters
- **580** Companies, owners, co-owners and fractional owners
- **280** registered "Operators"
- **1,880** listed FBOs, service centers, refurbish companies, avionics, banks, lessors, charter companies, management companies, law firms, operators, etc.
- **26** Registered charter and management companies
- Countless 3rd tier companies enjoying increased revenues from aviation to and from MI ...hotels, restaurants, golf courses, casinos, etc.

MI Business Aviation Association



Airports:

Bishop International Airport
Cherry Capital Airport
Detroit Metro Wayne County Airport
Oakland County International Airport
W.K. Kellogg Airport
Willow Run Airport

Business Organizations:

Michigan Assoc. of Airport Executives
Aircraft Owners and Pilots Assoc.
National Business Aviation Association

FBO/Charter Operators:

Aerodynamics
Pentastar Aviation
Riley Aviation

Insurance Agencies:

Aerospace Risk Management Group
LL Johns & Associates, Inc.
NationAir Insurance Agencies, Inc.

Flight Schools:

AirCare Solutions Group/Facts Training
CAE SimuFlite
FlightSafety International
Western Michigan University

Corporate Flight Departments:

Alticor
Federal Mogul Corporation
Ford Motor Company
MASCO Corporation
Steelcase, Inc.
Whirlpool

Aircraft Manufacturers:

Cessna Aircraft Co.
Dassault Falcon Jet Corp.
Gulfstream Aerospace Corp.

Law Firms:

Barnes & Thornburg, LLP

Aerodynamics Inc.



- Based at Oakland County International Airport
 - 23rd busiest GA Airport in US (2006)
- 49 Years in Business
- \$60 million Revenues

- Approx. 300 employees
- \$10 million payroll



Pilots, Dispatchers, Flight Attendants, Mechanics, Line Service, Avionics Technicians, Cabinetmakers, Woodfinishers, Installers, Upholsterers, Electronics Technicians, Administrative Support, Customer Service, Sales, Quality Control

Aerodynamics Inc.

Service Offerings:

- Maintenance/Repair Station
- Aircraft Parts Sales
- Fuel/Ground Support Services
- Interior Refurbishment
- Flight Management
- Charter
- Corporate Shuttles
- Aircraft Sales



Aerodynamics Inc.



- Customer base includes:
 - **Oakland County** based aircraft owners and operators (law firms, sheriff's department, automotive suppliers, banks, retailers)
 - **Michigan**-based corporations and private individuals (chemical companies, medical suppliers, communications)
 - **Great Lakes states** (mobile home manufacturers, utilities, technology, sports and entertainment VIP's)
 - **National** (microchip manufacturer, sports teams, government officials, entertainers, retailers)

- General aviation provides an **essential tool** to support the economic viability of small, medium and large size businesses in the U.S.
- Air transportation contributes to the **quality of life** for both those that utilize and provide the service
- Maintaining the infrastructure of our **airports** is crucial to future growth and development of our state





Thank you